



| DBE Supportive Services

Q2 Task Force Workshop

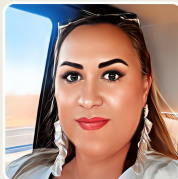
DBE CERTIFICATION FAQ

ON THE NEW USDOT DBE/ACDBE FINAL RULE

BECO DBE Certification Team

Diane Nydick

dnlester@azdot.gov
DBE Certification Manager



Reyna Valenzuela

rvalenzuela8@azdot.gov
DBE Certification Specialist



DBE/ACDBE Certification:

What's New in the New Rule?

- Increases personal net worth (PNW) cap and simplifies the calculation - cap is now **\$2.047M** per owner.
- **Each owner on whom the firm relies for 51% ownership *must* submit a DOE and a PNW statement.** On a case-by-case basis, certifiers may require additional information to verify the accuracy and completeness of the PNW statement.
- **USDOT will adjust the PNW cap in the future** at regular intervals based on Federal Reserve data - they have indicated it may be increased when and if necessary but not decreased.



DBE/ACDBE Certification:

What's New in the New Rule?

- **Retirement assets must still be reported** but are excluded from PNW.
- Transfer of assets within 2 years of initial UCA or DOE to relatives or related entities must be reported - additionally owned firms or trusts.
- **Ownership rules clarified** - initial investment includes purchases, gifts and additional investments after initial ownership
- **Control requirements amended** - the SEDO (socially and economically disadvantaged owner) must “run the show”, be the ultimate and independent decision maker.
- **Business size cap \$30.4M** 5 year average gross receipts for DBE program (\$56.42M ACDBE or DBE - FAA Only).



DBE/ACDBE Certification: What's New in the New Rule?

- **Independence** - firm must be independently viable, a pattern of regular dealings with a small number or a single firm from which it receives or shares essential resources does not necessarily compromise a firm's independence.
- Removes language regarding family businesses, licenses and equipment, outside employment, and SEDO remuneration.
- **Individual determination rules simplified** so certifiers can more easily make determinations and individuals must provide a Personal Narrative (PN) of the Objective Distinguishing Feature (ODF) that has caused the disadvantage they experience.



DBE/ACDBE Certification: What's New in the New Rule?

- **On-site interviews** *must* be audio recorded, can be live or virtual.
- Still up to 90 days processing deadline, extension reduced from additional 60 to additional 30 days.
- **Interstate certification simplified** - 10 day deadline once application has been accepted. Paperwork reduced.
- **Annual update is now called Declaration of Eligibility (DOE)** which must be signed but not notarized; and proof of gross receipts - can be complete tax return or audited (signed by a CPA) financial statement or page 1 of business tax return showing gross receipts.



DBE/ACDBE Certification: What's New in the New Rule?

- Firms “home state” is now called the **Jurisdiction of Original Certification (JOC)**.
- The date your annual DOE is due in ALL states will be the **date your firm was first certified in your JOC**.
- If any state in which you are certified plans to remove your certification, that state must notify the UCP in all states the firm is certified in. Other states do not have to concur, but they can comment or provide additional information.
- If the decertification moves ahead and the firm’s certification is removed, it will be removed in all states UNLESS the removal was for failure to cooperate (FTC) with DOE.



DBE/ACDBE Certification:

What's New in the New Rule?

- **Summary suspension of certification** may be imposed for FTC prior to decertification
- **B2GNow/DOORS is being updated**, many new forms are already up in the system.
- All new applications and DOEs will be processed in compliance with the new rule.
- **AZUTRACS will display websites for DBE certified firms**; this is now required as part of the DBE Directory in all jurisdictions.



Resources:

Final Rule Acronyms to Know

ACDBE Airport Concession Disadvantaged Business Enterprise

ANC Alaska Native Corporation

CUF Commercially Useful Function

DBE Disadvantaged Business Enterprise

DOE Declaration of Eligibility

FAA Federal Aviation Administration

FHWA Federal Highway Administration

FTA Federal Transit Administration

GFE Good Faith Effort

JOC Jurisdiction of Original Certification

NOI Notice of Intent

OSR On-Site Review

PN Personal Narrative

PNW Personal Net Worth

SEDO Socially and economically disadvantaged individual

SSN Summary Suspension Notice

UCA Uniform Certification Application

UCP Unified Certification Program



Resources:

Code of Federal Regulations Certification Links

- § 26.81 | [What are the requirements for Unified Certification Programs?](#)
- § 26.83 | [What procedures do certifiers follow in making certification decisions?](#)
- § 26.85 | [Interstate certification.](#)
- § 26.86 | [Decision letters.](#)
- § 26.87 | [Decertification.](#)
- § 26.88 | [Summary suspension of certification.](#)
- § 26.89 | [Appeals to the Department.](#)
- § 26.91 | [What actions do certifiers take following DOT certification appeal decisions?](#)



Resources: USDOT QR Codes

Scan the QR code to visit USDOT Website for more information on DBE/ACDBE Program “Rule Changes”



USDOT DBE and
ACDBE Programs
Final Rule
Summary



USDOT DBE
and ACDBE
Final Rules



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